

Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of )

SRT Communications, Inc. and North Dakota )  
Telephone Company )

Joint Petition for Waiver of the Definition of )  
"Study Area" Contained in Part 36, Appendix- )  
Glossary of the Commission's Rules; Petition for )  
Waiver of Sections 69.3(e)(11) and 69.605(c) of )  
the Commission's Rules )

CC Docket No. 96-45

APR 1 8 2007

### ORDER

Adopted: April 3, 2007

Released: April 3, 2007

By the Acting Deputy Chief, Wireline Competition Bureau:

#### I. INTRODUCTION

1. In this Order, we grant a joint request from SRT Communications, Inc. (SRT) and North Dakota Telephone Company (NDTC) (collectively, the Petitioners) for a waiver of the study area boundary freeze codified in the Appendix-Glossary of Part 36 of the Commission's rules.<sup>1</sup> This waiver will permit NDTC to remove the Velva exchange comprising approximately 720 lines from its North Dakota study area and will permit SRT to add that exchange to its existing North Dakota study area.<sup>2</sup> We also grant SRT's request for waiver of section 69.3(e)(11) of the Commission's rules so that it can include the acquired exchange in the National Exchange Carrier Association (NECA) common line tariff.<sup>3</sup>

<sup>1</sup> See 41 C.F.R. Part 36 App; SRT Communications, Inc. and North Dakota Telephone Company, Petition of Local Exchange Carriers for Waiver of "Study Area" Boundaries as defined in Appendix-Glossary of Part 36 in Connection with a Proposed Acquisition by SRT Communications, Inc. of all assets of North Dakota Telephone Company for the Velva Exchange in North Dakota, CC Docket No. 96-45 (filed October 2, 2006) (Petition). On November 27, 2006, the Wireline Competition Bureau (Bureau) released a public notice seeking comment on the petitions for waivers. See *Wireline Competition Bureau Seeks Comment on the Petition of SRT Communications, Inc. and North Dakota Telephone Company to Waive the Study Area Boundary Freeze, as Codified in Part 36 of the Commission's Rules and the Supplemental Petition of SRT Communications, Inc. for Waiver of Sections 69.605(c) and 69.3(e)(11) of the Commission's Rules*, CC Docket No. 96-45, Public Notice, 21 FCC Rcd 13754 (2006). The National Telecommunications Cooperative Association filed comments in support of the Petition. We note that the Bureau has granted transfer of control of the exchanges. See *Wireline Competition Bureau Grants Consent for the Transfer of Control of the Assets of North Dakota Telephone Company to SRT Communications, Inc.*, WC Docket No. 06-185, Public Notice, 21 FCC Rcd 13458 (2006).

<sup>2</sup> See Petition at 1-2.

<sup>3</sup> See 47 C.F.R. § 69.3(e)(11); SRT Communications, Inc. and North Dakota Telephone Company, Petition of Local Exchange Carriers for Waiver of "Study Area" Boundaries as defined in Appendix-Glossary of Part 36 in Connection with a Proposed Acquisition by SRT Communications, Inc. of all assets of North Dakota Telephone Company, CC Docket No. 96-45, Public Notice, 21 FCC Rcd 13754 (2006). (continued....)

Finally: we grant SRT's request for waiver of section 69.605(c) of the Commission's rules so that it may continue to operate as an average schedule company after the acquisition of the Velva exchange.'

## II. STUDY AREA WAIVER

### A. Background

2. Study Area. A study area is a geographic segment of an incumbent local exchange carrier's (LEC) telephone operations. The Commission froze all study area boundaries effective November 15, 1984, to prevent the establishment of high-cost exchanges within existing service territories as separate study areas merely to maximize high-cost universal service support.<sup>5</sup> A carrier must therefore apply to the Commission for a waiver of the study area boundary freeze if it wishes to sell or purchase additional exchanges.<sup>6</sup>

3. Universal Service ———. Section 54.305(b) of the Commission's rules provides that a carrier acquiring exchanges from an unaffiliated carrier shall receive the same per-line levels of high-cost loop support and local switching support for which the acquired exchanges were eligible prior to their transfer.<sup>7</sup> Section 54.305(b) is meant to discourage carriers from transferring exchanges merely to increase their share of high-cost universal service support.<sup>8</sup>

4. Petition for Waiver. SRT and NDTC filed a joint petition for a waiver of the study area boundary freeze on October 2, 2006. A study area waiver would permit NDTC to alter the boundaries of its North Dakota study area by removing the Velva exchange that it is transferring to SRT and would permit SRT to add the acquired exchange to its existing North Dakota study area! SRT owns and operates, as an incumbent LEC, approximately 37,700 access lines in 26 exchanges in North Dakota." NDTC is an incumbent LEC that owns and operates approximately 20,000 access lines in North Dakota."

5. In evaluating petitions seeking a waiver of the rule freezing study area boundaries, the Commission traditionally has applied a three-prong standard: (1) the change in study area boundaries

(...continued from previous page)

Company for the Velva Exchange in North Dakota, CC Docket No. 96-45 (filed October 13, 2006) (Supplemental Petition) at 2-3.

<sup>4</sup> See Supplemental Petition at 1

<sup>5</sup> See *MTS and WATS Marker Structure, Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board*. CC Docket Nos. 78-72, 80-286, Decision and Order, 50 Fed. Reg. 939 (1985) (*Part 67 Order*) adopting Recommended Decision and Order, 49 Fed. Reg. 48325 (1984). See also 47 C.F.R. Part 36 App.

<sup>6</sup> *Part 67 Order* at para. 1

<sup>7</sup> 47 C.F.R. § 54.305(b). This rule applies to high-cost loop support and local switching support. A carrier's acquired exchanges may receive additional support pursuant to the Commission's "safety valve" mechanism. See 47 C.F.R. § 54.305(d)-(f) (safety valve support allows rural carriers to receive additional high-cost support to reflect significant investments in the infrastructure of the acquired exchanges). A carrier acquiring exchanges also may be eligible to receive interstate common line support (ICLS), which is not subject to the limitations set forth in section 54.305(b). See 47 C.F.R. § 54.902.

<sup>8</sup> See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 8942-43, para. 308 (1997) (subsequent history omitted).

<sup>9</sup> See Petition at 1-2

<sup>10</sup> See Petition at 2

<sup>11</sup> *Id.*

must not adversely affect the universal service fund; (2) the state commission having regulatory authority over the transferred exchanges does not object to the transfer; and (3) the transfer must be in the public interest." In evaluating whether a study area boundary change will have an adverse impact on the universal service fund, we analyze whether a study area waiver will result in an annual aggregate shift in an amount equal to or greater than one percent of high-cost support in the most recent calendar year.<sup>13</sup> The Commission began applying the one-percent guideline in 1995 to limit the potential adverse impact of exchange sales on the overall fund, also recognizing that, because high-cost loop support is capped, an increase in the draw of any fund recipient necessarily reduces the amounts that other LECs receive from the fund.<sup>14</sup> After the Commission adopted section 54.305, it continued to apply the one-percent guideline to determine the impact on the universal service fund in light of the adoption of safety valve support and ICLS.<sup>15</sup>

## B. Discussion

6. We find that good cause exists to waive the study area boundary freeze codified in the Appendix-Glossary of Part 36 of the Commission's rules to permit NDTC to alter the boundaries of its North Dakota study area by removing the Velva exchange that it is transferring to SRT.<sup>16</sup> We also find that good cause exists to permit SRT to add the Velva exchange to its existing North Dakota study area. We conclude that the Petitioners have satisfied the three-prong standard that the Commission applies to determine whether a waiver is warranted.

7. *Impact on the Universal Service Fund.* Because the proposed study area waiver will not result in a significant increase in high-cost support, we conclude that the universal service fund will not be adversely affected. With regard to the 720 lines that NDTC proposes to transfer to SRT, section 54.305(b) of the Commission's rules limits high-cost loop support and local switching support to the same per-line levels of support that NDTC received prior to the transfer." NDTC currently does not receive high-cost loop support for the 720 lines it is transferring to SRT, therefore, SRT will not be eligible to receive high-cost loop support for the acquired lines.<sup>18</sup> Pursuant to Commission rules, SRT

<sup>12</sup> See, e.g., *US WEST Communications, Inc., and Eagle Telecommunications, Inc., Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules*, AAD 94-27, Memorandum Opinion and Order, 10 FCC Rcd 1771, 1772, para. 5 (1995) (*PTI/Eagle Order*).

<sup>13</sup> See *id.* at 1774, paras. 14-17. See also *US WEST Communications, Inc., and Eagle Telecommunications, Inc., Joint Petition for Waiver of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules, and Petition for Waiver of Section 61.41(c) of the Commission's Rules*, AAD 94-27, Memorandum Opinion and Order on Reconsideration, 12 FCC Rcd 4644 (1997).

<sup>14</sup> See *PTI/Eagle Order*, 10 FCC Rcd at 1773, para. 13.

<sup>15</sup> See *supra* note 7.

<sup>16</sup> Generally, the Commission may waive its rules for good cause shown. See 47 C.F.R. § 1.3. The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. See *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*). In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. See *WAT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969), *cert. denied*, 409 U.S. 1027 (1972); *Northeast Cellular*, 897 F.2d at 1166. Waiver of the Commission's rules is therefore appropriate only if special circumstances warrant a deviation from the general rule, and such deviation will serve the public interest.

<sup>17</sup> See 47 C.F.R. § 54.305(b).

<sup>18</sup> See Universal Service Fund, 2006 Submission of 2005 Study Results by the National Exchange Carrier Association, Inc. (dated September 29, 2006).

may be eligible for safety valve support for investments in the acquired lines.” We have no reason, however, to believe that this amount would significantly increase the high-cost fund, and it would fall well short of the one percent threshold.<sup>20</sup>

8. The Petitioners estimate that SRT may be eligible to receive an additional \$47,779 annually in ICLS for the acquired lines and that NDTC’s ICLS support will be reduced by \$32,832 annually. Therefore, the net increase in ICLS support as a result of this transaction will be \$14,947.<sup>21</sup> We conclude that the amount of net increase in ICLS as a result of this transaction, in addition to any amounts it may be eligible to receive in safety valve support, will not have an adverse impact on the universal service fund.

9. To further ensure that this transaction is in the public interest, we direct SRT as part of its annual universal service data submissions, to file a schedule showing its methodology for excluding the costs associated with the acquired access lines from the costs associated with SRT’s pre-acquisition

10. State Commission Position. On December 6, 2006, the Public Service Commission of the State of North Dakota issued an order approving the transaction between SRT and NDTC.<sup>23</sup> Thus, we find that the state commission with regulatory authority over the transferred exchange does not oppose the transfer.

11. Public Interest Analysis. We conclude that the public interest is served by a waiver of the study area freeze rule. The Velva exchange is surrounded by SRT’s existing exchanges. Velva residents currently incur toll charges to call Minot, North Dakota, however, after the acquisition Velva residents will be able to call Minot toll free under SRT’s extended area service plan.<sup>24</sup> We find that permitting SRT to acquire the Velva exchange serves the public interest because SRT will be able to operate more efficiently in this exchange given that SRT’s existing operation surrounds the Velva exchange. We fully expect consumers to benefit from this efficiency. We therefore conclude that the Petitioners have demonstrated that the grant of this waiver request will serve the public interest.

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<sup>19</sup> See 47 C.F.R. § 54.305(d).

<sup>20</sup> According to the Universal Service Administrative Company’s (USAC) recent estimates, total high-cost support for 2007 is projected to be \$4,357,867,771. See USAC Quarterly Administrative Filing 2007, Second Quarter (2Q) Appendix, HC02 (filed January 31, 2007). We note that the proposed study area waiver directly involves the transfer of only 720 access lines. Moreover, safety valve support is capped at 50 percent of any positive difference between a rural carrier’s calculated high-cost loop support for the transferred exchanges and the index year amount. See 47 C.F.R. § 54.305(d). Also, the total amount of safety valve support available to rural carriers is capped at five percent of annual high-cost loop support available to rural carriers in any particular year, thereby providing an additional limitation on the amount of safety valve support available to carriers. See 47 C.F.R. § 54.305(e).

<sup>21</sup> See Petition at 4.

<sup>22</sup> See 47 C.F.R. §§ 36.611, 54.301.

<sup>23</sup> See SRT Communications, Inc. and North Dakota Telephone Company, Petition of Local Exchange Carriers for Waiver of “Study Area” Boundaries as defined in Appendix-Glossary of Part 36 in Connection with a Proposed Acquisition by SRT Communication::, Inc. of all assets of North Dakota Telephone Company for the Velva Exchange in North Dakota, CC Docket No. 9645 (filed December 13, 2006) (attaching State of North Dakota, Public Service Commission, SRT Communications, Inc. Designated Eligible Carrier Application, Case No. PU-06-419, SRT Communications, Inc. Local Exchange Public Convenience and Necessity. Case No. PU-06-420 (dated December 6, 2006)).

<sup>24</sup> See Petition at 5. Minot, according to the Petition, is the economic hub city for the Velva community. *Id.*

### III. WAIVER OF SECTION 69.3(e)(11)

#### A. Background

12. Under section 69.3 of the Commission's rules, annual access tariffs, including the tariffs filed by NECA on behalf of companies that participate in NECA's access tariffs, go into effect on July 1 of each year.<sup>25</sup> To minimize the complexity of administering NECA's common line pool, any change in NECA common line tariff participation resulting from a merger or acquisition of telephone properties is effective on the next annual access tariff filing effective date following the merger or acquisition.<sup>26</sup> Because the next annual access tariff filing effective date is July 1, 2007,<sup>27</sup> SRT would have to wait until that date to participate in NECA's access tariffs and would be required to file its own interstate tariff for the acquired lines for the interim period. To avoid the burdens associated with filing its own tariff during this interim period, SRT has requested a waiver of section 69.3(e)(11) of the Commission's rules.<sup>28</sup> The waiver would enable SRT to include the acquired access lines in the NECA carrier common line tariff. SRT indicates that the inclusion of the small number of access lines that it is acquiring from NDTG in the NECA carrier common line tariffs would represent a minimal increase in NECA common line pool participation." NECA has indicated that it has no objection to the inclusion of the acquired lines in its common line tariff."

#### B. Discussion

13. We find that SRT has demonstrated that special circumstances warrant a waiver from section 69.3(e)(11) of the Commission's rules and that it would be in the public interest to grant SRT's request.<sup>31</sup> NECA has no objection to including the acquired exchange in the NECA tariff, as this would create no undue administrative burden for NECA.<sup>32</sup> Based on NECA's representation in its letter, we conclude that including the acquired access lines in the NECA carrier common line tariff represents a minimal increase in NECA common line pool participation. Also, we believe that it would be administratively burdensome for SRT to develop and file its own interstate tariff for use only until July 1, 2007, for a relatively small number of access lines. Consequently, we find that SRT presents special circumstances to justify a waiver of section 69.3(e)(11). Moreover, we believe that a waiver of section 69.3(e)(11) is in the public interest because it allows SRT to devote its resources to providing improved telecommunications services to the affected rural areas rather than spending those resources on a tariff filing. We therefore conclude that good cause exists to grant a waiver of section 69.3(e)(11) to SRT.

<sup>25</sup> See 47 C.F.R. § 69.3(a).

<sup>26</sup> 47 C.F.R. § 69.3(e)(11); see *Amendment of Part 69 of the Commission's Rules Relating to the Common Line Pool Status of Local Exchange Carriers Involved in Mergers or Acquisitions*, CC Docket No. 89-2, Report and Order, 5 FCC Rcd 231, 248 (1989).

<sup>27</sup> See 47 C.F.R. § 69.3(a).

<sup>28</sup> See Supplemental Petition at 2-3.

<sup>29</sup> *Id.* at 3.

<sup>30</sup> See Letter from Tracey E.J. Saltenberger, NECA, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 96-45 (January 3, 2007) (NECA Letter).

<sup>31</sup> See *supra* note 16.

<sup>32</sup> See NECA Letter

#### IV. AVERAGE SCHEDULE WAIVER

14. An incumbent LEC that participates in the NECA pools collects access charges from interexchange carriers at the rates contained in the tariffs filed by NECA.<sup>33</sup> Each pool participant receives settlements from the relevant pool to recover the costs of providing service plus a pro-rata share of the pool's earnings.<sup>34</sup> A NECA pool participant's interstate access charge settlements are determined either on the basis of cost studies or average schedule formulas.<sup>35</sup> A cost company is an incumbent LEC that receives compensation for interstate telecommunications services based on its actual interstate investments and expenses, calculated using detailed cost studies." An average schedule company is an incumbent LEC that receives compensation for use of its interstate common carrier services on the basis of formulas that are designed to simulate the disbursements that would be received by a cost company that is representative of average schedule companies." Average schedule companies thus are able to avoid the administrative and financial burdens of performing interstate cost studies.

15. Section 69.605(c) of the Commission's rules provides, in pertinent part, that "a telephone company that was participating in average schedule settlements on December 1, **1982**, shall be deemed to be an average schedule company."<sup>38</sup> The definition of "average schedule company" includes existing average schedule incumbent LECs, but does not allow for the creation of new average schedule companies or the conversion of cost-based carriers to average schedule status without a waiver of the Commission's rules.<sup>39</sup> The definition was designed to limit the use of average schedule formulas to companies that operated as average schedule companies prior to adoption of the rule or that are able to demonstrate compelling circumstances sufficient to warrant a special exception.<sup>40</sup> Our actions on waivers of the definition of "average schedule company," therefore, are guided by the principle that incumbent LECs should receive interstate access settlements based on their actual costs whenever possible without undue hardship.

16. SRT currently operates as an average schedule company while NDTC operates as a cost-based company. SRT requests a waiver of section 69.605(c) of the Commission's rules, in order to continue operating as an average schedule company after acquiring the Velva exchange from NDTC.<sup>41</sup> SRT states that it currently serves approximately 37,700 access lines and is acquiring only **720** access lines in the Velva exchange which is in an area completely surrounded by exchanges operated by SRT.<sup>42</sup>

<sup>33</sup> See 47 C.F.R. § 69.601.

<sup>34</sup> See 47 C.F.R. §§ 69.601-69.611.

<sup>35</sup> See 47 C.F.R. §§ 69.301-69.611

<sup>36</sup> *Id.*

<sup>37</sup> See 47 C.F.R. § 69.606(a). Average schedule companies may also receive universal service support pursuant to average schedule formulas. See, e.g., *National Exchange Carrier Association, Inc. Proposed 2004 Modification of Average Schedule Formulas*, CC Docket 96-45, Order, 18 FCC Rcd 26619 (WCB 2003).

<sup>38</sup> 47 C.F.R. § 69.605(c)

<sup>39</sup> An incumbent LEC may convert from an average schedule company to a cost company, but an incumbent LEC must obtain a waiver of the definition of "average schedule company" in section 69.605(c) to change from a cost company to an average schedule company. See 47 C.F.R. § 69.605(c).

<sup>40</sup> See *Petition for Waiver Filed by Heartland Telecommunications Company of Iowa and Hickory Tech Corporation*, AAD File No. 96-94, Memorandum Opinion and Order, 14 FCC Rcd 13661, 13662, para. 3 (1999) (*Heartland*)

<sup>41</sup> See Supplemental Petition at 1-2; see also § 69.605(c).

<sup>42</sup> See Supplemental Petition at 2

Absent a waiver, SRT claims that it would need to spend considerable time, effort and funds on cost studies that could be better spent to improve the quality of service furnished to subscribers.<sup>43</sup> SRT points out that the Commission has previously granted waivers to permit carriers of similar size to avoid the burdens and costs of performing cost studies.<sup>44</sup>

## A. DISCUSSION

17. We are persuaded that good cause exists to grant SRT a waiver of section 69.605(c) so that it may remain an average schedule company after the acquisition of the Velva exchange from NDTc.<sup>45</sup> In the instant transaction, SRT is adding 720 lines, which are currently operated as cost-based lines, to its existing operation of nearly 38,000 lines which are operated as average schedule lines. SRT, by any measure, is larger than most rural incumbent LECs that settle interstate access on a cost-basis.<sup>46</sup> Although SRT, as an average schedule company, is larger than a significant majority of rural cost-based incumbent LECs, SRT is only increasing its total access lines, as a result of this transaction, by approximately two percent.<sup>47</sup> We, therefore, grant SRT a waiver of section 69.605(c) of the Commission's rules so that it may remain under average schedule status.

## V. ORDERING CLAUSES

18. Accordingly, IT IS ORDERED, pursuant to sections 1, 4(i), 5(c), 201, 202 and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 201, 202, and 254, and the authority delegated by sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, that the petition for waiver of the study area boundary freeze as codified in Part 36, Appendix-Glossary, of the Commission's rules, filed by SRT Communications, Inc. and North Dakota Telephone Company on October 2, 2006, IS GRANTED, as described herein.

19. IT IS FURTHER ORDERED, pursuant to sections 1, 4(i), 5(c), 201, and 202 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 201, and 202, and the authority delegated by sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, that SRT Communications, Inc., SHALL SUBMIT, as part of its annual universal service data submissions to the fund administrator, a schedule showing the methodology for excluding costs

<sup>43</sup> *Id.*

<sup>44</sup> *Id.* at 2 (citing *Norway Rural Telephone Company and Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom, Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix-Glossary of the Commission's Rules, Petition for Waiver of Sections 69.3(e)(11) and 69.605(c) of the Commission's Rules*, CC Docket No. 96-45, 17 FCC Rcd 20127, 20135, para. 19 (2002) (*Norway Order*)).

<sup>45</sup> We note, however, that the *Norway Order* cited by SRT is not directly on point with the circumstances described herein. See Supplemental Petition at 2. Norway Rural Telephone Company (Norway Telephone) acquired 800 lines to add to its existing 670 lines. We granted Norway Telephone a waiver of section 69.605(c), to continue average schedule status, based on its overall post-acquisition small size, not because it was merely adding 800 lines to its existing operations. See *Norway Order*, 17 FCC Rcd 20127, 20135, paras. 18 and 19.

<sup>46</sup> There are 902 rural incumbent LECs that settle interstate access on a cost basis. SRT is larger than 89% of those cost-based rural incumbent LECs. See Universal Service Fund, 2006 Submission of 2005 Study Results by the National Exchange Carrier Association (dated September 29, 2006).

<sup>47</sup> Compare *Petitions for Waivers Filed by Alpine Communication, L.C., et al., Concerning Sections 61.41(c)(2), 69.3(e)(11), 69.3(i)(4), 69.605(c) and the Definition of "Study Area" Contained in the Part 36 Appendix-Glossary of the Commission's Rules*, AAD File No. 96-94; Memorandum Opinion and Order, 12 FCC 2367, 2375, para. 18 (1997); *app. for review denied, Heartland*, 14 FCC Rcd 13661 (denying Heartland Telecommunications Company of Iowa (HTC) average schedule status after its acquisition of 12,527 cost-based access lines that were combined with HTC's existing average schedule study area of 1,330 access lines).

associated with the acquired access lines from costs associated with its pre-acquisition study area

20. **IT IS FURTHER ORDERED**, pursuant to sections 1, 4(i), 5(c), 201, and 202 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 201, and 202, and the authority delegated by sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, that the petition for waiver of section 69.3(e)(11) of the Commission's rules, 47 C.F.R. § 69.3(e)(11), filed by SRT Communications, Inc. on October 13, 2006, **IS GRANTED**, as described herein.

21. **IT IS FURTHER ORDERED**, pursuant to sections 1, 4(i), 5(c), 201, and 202 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 201, and 202, and the authority delegated by sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, that the petition for waiver of section 69.605(c) of the Commission's rules, 47 C.F.R. § 69.605(c), filed by SRT Communications, Inc. on October 13, 2006, **IS GRANTED**, as described herein.

22. **IT IS FURTHER ORDERED**, pursuant to authority delegated under sections 0.91, 0.291 and 1.102 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.102, that this Order **SHALL BE EFFECTIVE** upon release.

FEDERAL COMMUNICATIONS COMMISSION



Renee R. Crittendon  
Acting Deputy Chief  
Wireline Competition Bureau